

Humana's Medicare Landscape – 2011



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HUMANA®
Guidance when you need it most

Important Changes for 2011

- **New Co-branded PDP Relationship with Walmart**
- **2011 Premium and Product Changes**
- **PFFS Changes - Networks and Plan Exit Impacts**
- **Enrollment Period changes – ADP vs. OEP**
- **Optional Supplemental Benefits (OSBs)**
- **Additional Information + Health Care Reform**

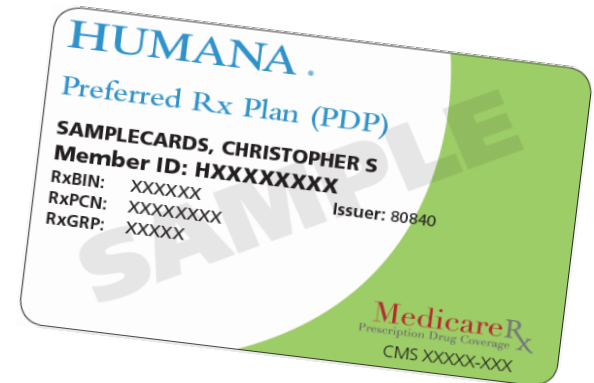
Humana Walmart-Preferred Rx PDP

Humana PDP Offerings

Humana Walmart Preferred Rx PDP Plan

Key Features and Benefits

- Stand-alone PDP Plan
- \$14.80 monthly premium—the same in all 50 states and Puerto Rico
- Basic Alternative PDP eligible for auto-assigned membership
- Other pharmacies are available within the network but members using Walmart and Sam's Club pharmacies will experience lower cost share
- In-store copays as low as \$2 after \$310 annual deductible
 - Preferred generics
 - Preferred Walmart Pharmacy*
 - Most Walmart \$4 generics for a \$2 copayment
- \$0 copayment for mail order
 - Preferred generics
 - RightSourceRx mail-order pharmacy
- Formulary is least robust of Humana PDP offerings



Store Presence

- Humana will staff approximately 3,000 Walmart stores nation-wide.
- Stores to be staffed by Oct 2th through Dec 31st
- Store presence will vary by location but will be standardized and posted to ensure consumer understanding; each store will be staffed approximately 20 hours per week or host one seminar each week.
- Due to space restrictions, most seminars will be off-site and not within Walmart or Sam's Club retail space.



HUMANA.

Walmart Preferred

Rx Plan (PDP)

Agent Oversight

- Agents must agree to Code of Conduct rules in stores.
- All staffing and events to be loaded to CMS' system (HPMS) for tracking and notification of event to CMS; allows for CMS surveillance.
- Agents will use a thorough sales presentation designed for a retail setting and filed and approved by CMS prior to use.
- Field Managers will conduct specific agent spot checks and evaluations; will provide their direct contact information to store management.

Humana Walmart Preferred Rx Plan Benefits

Drug Tier	Walmart Retail Pharmacy 30-day Supply	Non-Preferred Retail Pharmacy 30-day Supply	RightSourceRx Mail-Order 30- or 90-day Supply
- \$310 Annual Deductible -			
Tier 1 - Preferred Generics <i>(Walmart \$4 Prescription Program)</i>	\$2 Copay	\$10 Copay	\$0 Copay
Tier 2 - Other Preferred Generics	\$5 Copay	\$10 Copay	\$0 Copay
Tier 3 - Non-preferred Generics and Preferred Brands	20% Copay	37% Copay	20% Copay
Tier 4 - Non-preferred Brands	35% Copay	50% Copay	35% Copay

Part D - 2011 Base Standard

This is the CMS base standard – all Part D plans are required by law to offer benefits *equal to or better* than the following in 2011:

2011 Medicare Prescription Drug Plan Basic Coverage		
	2011 Basic Benefits	You Pay
Deductible	\$310	100% of first \$310
Initial Coverage Limit	\$2,840	25% of the next \$2,530 (\$632.50)
Coverage Gap	\$3,607.50	100% of next \$3,607.50
Annual Out-of-Pocket Amount		\$4,550*
Catastrophic Coverage	Medicare and Plan 95%	5%**

* Annual Out-of-Pocket Amount does not include monthly premiums.

** Member pays the greater of \$2.50 for generic/preferred multiple-source drug and \$6.30 for all other drugs, or 5 percent coinsurance.

2011 Humana PDP Plan Offerings

Humana Standard

Available only in HI

3-tier Coinsurance plan

- Deductible: \$310, applies to all tiers
- Select Generics covered in gap

Premium: \$37.20

Humana Walmart-Preferred

Available in all regions

Nationwide benefits & premiums

- Deductible: \$310, applies to all tiers
- 30-day benefit: \$2/\$5/20%/35%

Premium: \$14.80

Humana Enhanced

Available in all regions, except HI

4-tier in all regions, except NY (3-tier)

Some plans have deductible

- Deductible range: \$50-\$200
- Deductible does not apply to T1 Rx
- Select Generics covered in gap

Premium Range: \$23.80 - \$52.50

Premium in Indiana - \$48.60

Humana Complete

Not available in 8 regions:

-ME/NH, NM, CO, AZ, NV, HI, AK, PR

Minimal benefit changes

- Tier 1 covered in gap
- Select brands covered in gap

Premium Range: \$101.10 - \$118.60

Premium in Indiana - \$110.00

2011 Plan and Premium Changes

What's changing in your state

Indiana Prescription Drug Plans

Product	2010 Premium	2011 Premium
Humana Walmart-Preferred PDP	<i>(New 2011)</i>	\$14.80
Basic PDP <i>N/A in Indiana in 2010</i>	N/A	Replaced by the Humana Walmart-Preferred PDP
Standard PDP <i>S5884-073</i>	\$45.80	No longer available except HI
Value PDP <i>N/A in Indiana in 2010</i>	N/A	No longer available
Enhanced PDP <i>2010: S5884-013</i> <i>2011: S5884-073</i>	\$51.60	\$48.60
Complete PDP <i>S5884-043</i>	\$100.70	\$110.00

Indiana Medicare Advantage Plans

Product	2010 Premium	2011 Premium
HMO <ul style="list-style-type: none"> ▪Indianapolis ▪Indiana/Kentucky 	\$20 N/A	\$22 \$0
Local PPO	\$25 - \$56	\$27 - \$52
Regional PPO	\$0 - \$73	\$0 - \$71
PFFS	\$30 - \$131	\$0 - \$201

2011 Private Fee-For-Service (PFFS) Changes

Private Fee For Service – Move to Networks

- Beginning with plans offered in 2011, PFFS plans are **required to have contracted provider networks except in areas where no other networked plan is offered.**
- In most locations, Humana has contracted with a full network of providers for all services covered under Original Medicare.
- In many states, Humana also has partial network plans; Contracted providers are limited to certain Durable Medical Equipment (DME), home health providers, and some freestanding labs and hospitals.
- There are areas of the country where Humana did not establish a PFFS provider network and we will be exiting PFFS in these areas.

PFFS – Plan Exit

- In Indiana, Humana will be exiting one of our PFFS contracts.
- Members impacted received a complete non-renewal packet in their homes by October 2. These packets provide members with detailed information about all plan options in their area.
- Most impacted Humana members will have another Humana MAPD option in 2011—many at lower or equal plan premium.
- Impacted members in Indiana will have other Humana MA plan options.
- Regardless of Humana MA options, these members are free to enroll in another MA plan offered in their area or return to Original Medicare. Humana Medicare Supplement policies are also a member option.

PFFS Contracts and ID Cards

Deemed:

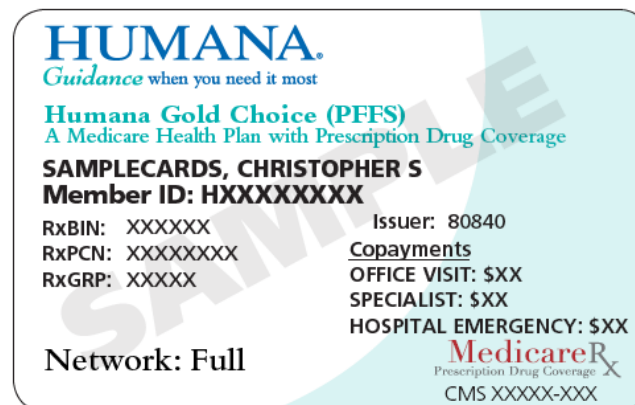
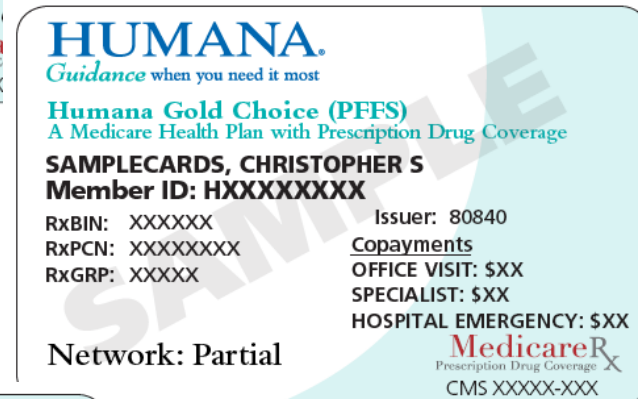
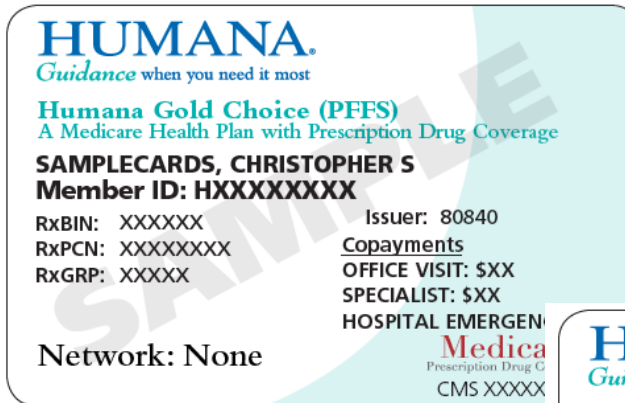
- H1804 (Mississippi)
- H1906 (Louisiana)

Partial Network:

- H2944 (National)

Full Network:

- H1291 (New York)
- H4785 (Louisiana)
- H8145 (National)



2011 Enrollment Period Changes – ADP

Annual Disenrollment Period - ADP

The Open Enrollment Period (OEP), which previously ran from January 1 to March 31, has been eliminated.

The **Annual Disenrollment Period (ADP)** will run **from January 1 through February 14**.

The ADP allows those enrolled in Medicare Advantage (MA) plans to disenroll from the MA plan and return to Original Medicare.

Beneficiaries who return to Original Medicare may enroll in a Part D Prescription Drug Plan, regardless of whether they had drug coverage under the MA plan from which they disenrolled.

Important Dates For Plan Enrollment

2011 – “This” plan year timeline	2012 - “Next” plan year timeline
<p>Pre-Enrollment Oct. 1 – Nov. 14 – No change from past years. People with Medicare can use this time to compare plan options for the coming year.</p>	<p>Pre-Enrollment Oct. 1 – Oct. 14 – Begins at the same time but AEP will begin sooner.</p>
<p>Annual Election Period (AEP): Nov. 15 – Dec. 31 - No change; People with Medicare able to elect a Medicare Advantage or Prescription Drug Plan for the coming year.</p>	<p>Annual Election Period (AEP): Oct. 15 – Dec 7 - Begins and ends earlier for 2012 and going forward.</p>
<p>Annual Disenrollment Period (ADP): Jan. 1 – Feb. 14 – Medicare Advantage plan members can return to Original Medicare and can enroll in a stand-alone drug plan. You can no longer switch to another MA plan during this time.</p>	<p>Annual Disenrollment Period (ADP): Jan. 1 – Feb. 14 – Medicare Advantage plan members can return to Original Medicare and can enroll in a stand-alone drug plan.</p>
<p>Lock In: Feb. 15 – Oct. 14 - Stay with your plan unless special circumstances arise (e.g., you move, you qualify for or lose eligibility for Medicaid).</p>	<p>Lock In: Feb. 15 – Oct. 15 – Stay with your plan unless special circumstances arise (e.g., you move, you qualify for or lose eligibility for Medicaid).</p>

Information and Enrollment Options

Information channels:

- Agent in-person presentation
- Agent-led group seminar
- Agent telephonic
- humana-medicare.com
- medicare.gov
- SHIPs and AAA counselors

Enrollment methods:

- Paper application (physical signature) – Self enrollment or with an Agent
- Electronic application (on-line) – Self enrollment
- Electronic application with digital signature – Agent-assisted
- Telephonic application (electronic sig) – Self enrollment or with an Agent

Note: All agent-assisted enrollments are subject to the verification process

Agent Oversight

Agent Training: Use of AHIP training developed through industry and CMS collaboration as base, coupled with more extensive product-specific training developed by Humana

Sales Oversight: Expanded sales management staff to provide agent oversight

Agent licensure verification: Enhanced systematic and manual edits to prevent enrollment by a non-licensed agent

Optional Supplemental Benefits

Optional Supplemental Benefits (OSBs)

- Humana's OSB plans marketed as “**MyOption**” benefit packages
- More OSB options available in 2011
- Allow members to “customize” the benefit combinations they purchase rather than the “one size-fits all” approach
- Filed to complement MA plans or as “stand-alone” products such as the *Points of Caregiving* product.
- OSB offerings available with individual MA products where networks are available

Optional Supplemental Benefits (OSBs)

Expanded OSB offerings in 2011:

- Dental
- Vision
- Plus (Combo Dental + Vision)
- Fitness Well-being (SilverSneakers) - NEW
- Fitness (Silver&Fit) - NEW
- Points of Caregiving - NEW
- Independent Life Deluxe – Aging in Place - NEW

Note: International Medicare OSB no longer available



New OSB Offerings

Fitness Well-being

Available in SilverSneaker states

Fitness Well-Being includes all the same benefits as the SilverSneakers embedded benefit but adds:

- ✓ 4 Health and fitness coaching calls
- ✓ Well Being Assessment
- ✓ Personal report that targets fitness goals

Monthly Premium: \$31.50

MyOption Fitness

Available to all those without an embedded fitness benefit

Fitness includes all the same benefits as the Silver&Fit fitness center membership:

- ✓ Access to special conditioning classes
- ✓ Specialized Silver&Fit classes
- ✓ On-line tools and trackers for goal setting

Monthly Premium: \$26.00

Points of Caregiving

Offered on select plans in select markets

Provides access to caregiving information including:

- ✓ Web-based resource for caregive guidance and support
- ✓ Personalized telephone consultations
- ✓ Interactive social network of supportive caregivers
- ✓ 20 telephone reminders per month relative to appointments and medication
- ✓ Mind-stimulating brain games
- ✓] CareMatters library of expert articles and helpful online decision-making tools

Monthly Premium: \$20.00

Independent Life Deluxe

Offered in San Antonio only

Remote Monitoring Service (via the Rest Assured® system from ResCare HomeCare—broadband Internet required)

- ✓ Provides access to a “tele-caregiver” or family and friends through a computer screen
- ✓ 1 scheduled tele-caregiver check-in visit daily, training, leased equipment and system installation included (not internet charges)

Access to eight one-way or four round-trip non-emergency transportation trips per month within 50 miles of their home area

Monthly Premium: \$240

Health Care Reform

Primary Medicare Impacts

Health Care Reform - \$250 Rebate

- Those entering the Part D “donut hole” in 2010 will receive a one-time \$250 rebate check if not already receiving Medicare extra help.
- These checks began mailing from CMS in mid-June 2010, and will continue monthly throughout the year.
- Qualified beneficiaries will receive a tax-free, one-time check from CMS within 4 months of hitting the coverage gap (“donut hole”).
- Rebate is administered by CMS and is not connected with plan sponsors.
- Beneficiaries who have questions about the \$250 “donut hole” rebate should be encouraged to visit www.Medicare.gov or call 1-800-MEDICARE or TTY 1-877-486-2048; both lines are open 24 hours a day, 7 days a week.

Health Care Reform – Coverage in the Gap

Coverage in the Gap

Starting January 1, 2011, Medicare is making changes to reduce the financial impact of the coverage gap--"donut hole."

Brand Coverage Discounts

- CMS will work with drug companies to provide a 50% discount* on covered, brand-name drugs while in the coverage gap.
- Discount is based on negotiated price of drug and does not take into account the dispensing fees or taxes that may be charged at the pharmacy.
- People with Medicare who receive a low-income subsidy or are enrolled in an employer-sponsored retiree drug plan (with exception of employer groups with waivers) won't be eligible for this discount.

Generic Coverage Discounts

- CMS will partner with health care plans to provide a 7% discount* on generic drugs while in the coverage gap.

** Discount is based on negotiated price of drug and does not take into account the dispensing fees or taxes that may be charged at the pharmacy.*

Coverage of Preventive Care

In 2011, all Humana MA plans will cover the 18 Medicare-covered preventive screenings and services at \$0 copay through in-network providers. This is not a change for most Humana Medicare members.

- Abdominal Aortic Aneurysm Screening
- Bone Mass Measurement
- Cardiovascular Screenings
- Cervical and Vaginal Cancer Screening (Pap Test and Pelvic Exam)
- Colon Cancer Screening (Colorectal)
- Diabetes Screenings
- Diabetes Self-Management Training
- EKG Screening
- Flu Vaccine
- Glaucoma Tests
- HIV Screening
- Hepatitis B Vaccine
- Breast Cancer Screening (Mammograms)
- Medical Nutrition Therapy Services
- Pneumococcal Vaccine
- Prostate Cancer Screenings
- Smoking Cessation (counseling to stop smoking)
- Welcome to Medicare Physical Exam (one-time physical exam)

Additional Information

Star Measures - The Basics

Star Measures		
Category	Number	Contribution
HEDIS	15	42%
CAHPS	8	22%
CMS	5	14%
HOS	6	17%
IRE	2	6%
Total	36	100%

	Health / Clinical (21 out of 36 Measures)
	Customer Experience / Service / Other (15 out of 36 Measures)

#	HEDIS Measure	Type
1	Access to Primary Care Doctor Visits	Admin
2	Annual Monitoring of Long Term Meds	Admin
3	Breast Cancer Screening	Admin
4	Cardiovascular Care - Cholesterol Screening	Hybrid
5	Colorectal Cancer Screening	Hybrid
6	Controlling Blood Pressure	Hybrid*
7	Diabetes Care - Blood Sugar Controlled	Hybrid
8	Diabetes Care - Cholesterol Controlled	Hybrid
9	Diabetes Care - Cholesterol Screening	Hybrid
10	Diabetes Care - Eye Exam	Hybrid
11	Diabetes Care - Kidney Disease Monitoring	Hybrid
12	Glaucoma Testing	Admin
13	Osteoporosis Management in Women who had a Fracture	Admin
14	Rheumatoid Arthritis Management	Admin
15	Spirometry Testing for COPD	Admin

* No Admin data possible

Key Points

- All 36 measures contribute equally to the Star Summary Score
- Clinical/health related topics contribute roughly 60% of the total score
- Data for a plan's current star ratings is from survey data within the past three years—but not current year.

Observations

- 7 measures are admin only—response to survey
- 8 measures are hybrid—response to survey + clinical data in health records

Definitions: HEDIS – Healthcare Effectiveness and Information Set

CAHPS – Consumer Assessment Healthcare Providers / Systems



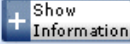



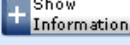




HOS – Medicare Health Outcomes Survey

IRE – Independent Review Entities

Star Rating - Medicare Options Compare Tool

By accessing the Medicare Options Compare Tool, beneficiaries can select plans to do a side by side comparison of Health Plan Quality star ratings.

Health Plan Star Ratings

	Anthem Medicare Preferred Select (PPO) (H5530-004-0)	HumanaChoice H1806-001 (PPO) (H1806-001-0)
Summary Rating of Health Plan Quality (What is this?) View previous ratings for these plans	 3 out of 5 stars	 3 out of 5 stars
 Staying Healthy: Screenings, Tests and Vaccines Click to view data sources	 3 out of 5 stars	 3 out of 5 stars
 Managing Chronic (Long Term) Conditions Click to view data sources	Not enough data to calculate stars for this category	 2 out of 5 stars
 Ratings of Health Plan Responsiveness and Care Click to view data sources View how these plans compare to Original Medicare	 3 out of 5 stars	 3 out of 5 stars
 Health Plan Members' Complaints, Appeals, and Choosing to Leave the Health Plan Click to view data sources	 3 out of 5 stars	 3 out of 5 stars
 Health Plan's Telephone Customer Service Click to view data sources	Not enough data to calculate stars for this category	 2 out of 5 stars

The number of stars shows how well the plans perform.

Excellent 
Very Good 
Good 
Fair 
Poor 

Star Ratings - Medicare Options Compare Tool

The HEDIS rates that make up the Star ratings is also available for review.

	Anthem Medicare Preferred Select (PPO) (H5530-004-0)	HumanaChoice H1806-001 (PPO) (H1806-001-0)
Summary Rating of Health Plan Quality (What is this?) View previous ratings for these plans		
Hide Information	Staying Healthy: Screenings, Tests and Vaccines Click to view data sources	
Breast Cancer Screening What is this?	63%	64%
Colorectal Cancer Screening What is this?	45%	Plan not required to report measure
Cholesterol Screening for Patients with Diabetes or Heart Disease What is this?	87%	82%
Glaucoma Testing What is this?	52%	59%
Monitoring of Patients Taking Long-term Medications What is this?	90%	92%
Annual Flu Vaccine What is this? View how these plans compare to Original Medicare	64%	67%
Pneumonia Vaccine What is this? View how these plans compare to Original Medicare	63%	61%

The number of [stars](#) shows how well the plans perform.

Excellent	★★★★★
Very Good	★★★★
Good	★★★
Fair	★★
Poor	★

Example of CMS guidance on the Medicare Options Compare Tool...

“Why is this information important?”

A health plan that screens people for risks like cholesterol and makes sure its members get necessary vaccines may prevent disease. A health plan that screens its members for conditions like cancer may identify problems early, when treatment is most effective.”

Extra Benefits – Fitness Programs



Designed specifically for Medicare beneficiaries, is a total health and physical activity program that is beneficial for Medicare-eligible persons of all activity levels. Eligible members can receive a range of services.

SilverSneakers is available in all states except AZ, NV, and PA.



This program is designed for senior adults and incorporates exercise and health education to empower seniors to become physically fit.

Silver & Fit is available to members in AZ, NV, and PA.

Humana Active Outlook- 2011

Offered to MA, MAPD members*

HAO Program includes:

- *HAO Magazine* 3 x times a yr.
- *HAO Spanish Magazine* 1 x a yr.
- *Live it Up! Digest* 3 x times a yr.
- Local Health and Wellness classes*
- Educational seminars*
- Volunteers in Partnership program*
- Birthday Card campaign
- Member only website
- **MyHealth Planner – New for 2011**
A place to record screenings,
health numbers, medications, questions
for their doctor and important phone
numbers



**Select markets; not offered in all markets*

Ongoing Dialogue

As always . . . Don't hesitate to call . . .

- *Updates on new information*
- *Questions*
- *Issue resolution*

Regulatory Critical Inquiry Hotline: 1-888-666-2902

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